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MINISTRY OF DEFENCE

NOTIFICATION

New Delhi, the 29th September, 1959

IN THE MATTER OF THE CHARITABLE ENDOWMENTS ACT, 1890

AND

IN THE MATTER OF THE ARMY OFFICERS CONTRIBUTORY EDUCATION FUND.

No. 10-E. dated 26th Sept. 1959.—Whereas the Adjutant General, Indian Army, acting in the administration of the Fund mentioned above and as the person who proposes to apply the Fund in trust for charitable objects has applied for vesting the Fund mentioned in the Schedule "A" hereto in the Treasurer of Charitable Endowments for India and for the settlement of a Scheme for the administration of the said Fund.

It is hereby notified that the Central Government in exercise of the powers conferred by Sections 4 and 5 of the Charitable Endowments Act, 1890 (VI of 1890), and upon the application as aforesaid and with the concurrence of the said Adjutant General doth hereby order and direct that the moneys set out in Schedule "A" hereto shall as from the publication of this notification vest and be henceforth vested in the Treasurer of Charitable Endowments for India to be held by him and his successors in office (subject to the provisions of the Charitable Endowments Act, 1890, and the rules from time to time to be framed thereunder by the Central Government) upon trust to hold the said moneys and the income thereof in accordance with the trusts and terms set out in the Scheme set forth.

And it is hereby further notified that the Scheme set forth below has, under sub-section (1) of Section 5 of the said Act, been settled for the administration of the said endowments and under sub-section (3) of the said Section 5 of the said Act, it is hereby further ordered that it shall come into force from the 1st October, 1959.

IN THE MATTER OF THE CHARITABLE ENDOWMENTS ACT, 1890

AND

IN THE MATTER OF THE ARMY OFFICERS CONTRIBUTORY EDUCATION FUND.

*Scheme for the Administration of the Fund above mentioned*

1. **Definitions.**—Unless there is anything repugnant to the subject or context in the Scheme,

- (a) "child" together with its grammatical variations means legitimate child who has attained the age of 10 and has not attained the age of 17

and includes adopted child if the Chairman of the general committee satisfied that under the personal law of the subscriber, adoption is legally recognised.

**NOTE.**—A child of an Officer who is in the custody of a divorced or separated wife/husband and whose maintenance is not being contributed by the subscriber to the Fund, will not be eligible for benefit.

- (b) "Officer" means a permanent regular commissioned officer of the regular army whether posted in India or abroad.
- (c) "Fund" means the Army Officers Contributory Education Fund.
- (d) "Secretary/Treasurer" means Secretary/Treasurer of the Fund.
- (e) "Year" means the financial year ending the 31st March.

**2. Objects.**—(1) The objects of the fund shall be to award scholarships to children of such officers and subject to such conditions as are specified in clause (2) below, who attend school at the rate of Rs. 10 per month per child if a day scholar; and at the rate of Rs. 50 per month per child, if a boarder; payable at the end of each quarter.

(2) The benefits referred to in clause (1) above will be payable to children of the following category of officers for the period indicated:—

- (a) *Those who subscribe for less than 10 years.*—Benefit during service only.
- (b) *Those who subscribe for 10 years or more but less than 24 years and retire.*—Benefit during service, to be extended for 3 years after retirement if they subscribe at the rate of Rs. 30 per quarter for 3 years after retirement.
- (c) *Those who subscribe for 24 years or more and retire, or die after retirement.*—Benefit during the service, and after retirement or death.
- (d) *Those who die in service or are invalided out of service.*—Benefit during service and after death or invalidment.

**NOTE.**—(1) No benefit will be allowed in the case of officers removed, cashiered or dismissed after the removal, cashiering or dismissal.

(2) No scholarship will be admissible to a child who is in receipt of a freship as a boarder.

**3. Assets of the Fund.**—In addition to the moneys particulars whereof are given in Schedule "A" hereto the assets of the fund shall include compulsory monthly subscriptions from all serving permanent regular commissioned officers, grants from Government as well as donations and voluntary endowments whenever given or received.

**4. Subscriptions by Officers.**—Every serving permanent regular commissioned officer of the army, irrespective of his rank, shall pay a uniform rate of quarterly subscription of Rs. 15. Payment of subscription shall cease when the officer is removed, cashiered, dismissed or retired from service and also on resignation or relinquishment of commission subject to the proviso contained in para 2(b) above in the case of a retired officer. Contributions received will not be refunded.

**5. Collection of subscription.**—Subscription will be recovered quarterly by the Controller of Defence Accounts (Officers), Poona, from the pay or other emoluments due to the officer for the months of April, July, October and January of each year for the quarters commencing on the first days of these months. Where recovery by the said Controller of Defence Accounts is not possible, the subscription will be collected by the Secretary/Treasurer of the Fund direct.

**6. Remittance of subscription.**—The amount of subscription collected by the said Controller of Defence Accounts or by the Secretary/Treasurer of the Fund as the case may be shall be credited quarterly to the Officers Contributory Education Fund (Army) Accounts kept in the State Bank of India or any other scheduled bank approved in this behalf by the Central Government. Such credit will be notified by the Controller of Defence Accounts (Officers), Poona, to the

Secretary/Treasurer of the Fund. A nominal roll showing the account number, the rank and the name of the officer and the amount recovered from him will also be forwarded by the Controller of Defence Accounts (Officers), Poona, to the Secretary/Treasurer of the Fund

**7. Vesting of Assets.**—The assets of the fund including those particulars whereof are set out in Schedule "A" hereto shall be vested in the Treasurer of Charitable Endowments for India under the Scheme.

**8. General Committee.**—For the management and administration of the fund a general committee shall be constituted consisting of the following members, namely:—

- (a) Adjutant General.
- (b) Director of Personal Services.
- (c) An Officer of Army Headquarters (not below the rank of Colonel) appointed by each of the following:—
  - (i) Chief of the General Staff;
  - (ii) Quartermaster General;
  - (iii) Master General of the Ordnance;
  - (iv) Director of Medical Services;
- (d) Secretary/Treasurer.

**9. Chairman and Vice-Chairman.**—The Adjutant General and the Director of Personal Services shall respectively be the *ex-officio* Chairman and Vice-Chairman of the General committee.

**10. Provision regarding the Members of the General Committee.**—(a) When a person becomes a member of the general committee by reason of the office or appointment he holds, his membership shall terminate when he ceases to hold that office or appointment.

(b) Subject to preceding clauses a member of the general committee shall cease to be such member if he dies, resigns, becomes of unsound mind, becomes insolvent, is convicted of a criminal offence involving moral turpitude, or is removed by the Central Government or is transferred from army headquarters.

(c) A resignation of membership shall be tendered to the Chairman of the general committee and shall not take effect until it is accepted on behalf of the committee by the Chairman.

(d) Any vacancy in the general committee caused by any of the reasons mentioned in the above sub-clauses shall be filled by nomination, appointment or otherwise as circumstances of the case may require.

(e) Subject to the above, the appointment to the general committee, the mode of their appointment, their tenure of office and other matters of and incidental thereto shall be determined by bye-laws framed in respect of the same.

**11. Conduct of Business.**—The general committee may meet together for the conduct of business, adjourn and otherwise regulate its meetings and proceedings as may be determined by the bye-laws. Unless otherwise determined the quorum for a meeting of the general committee shall be three members (personally present at the meeting). A meeting of the general committee at which a quorum is present shall be competent to exercise all or any of the functions of the committee. Every matter shall be determined by a majority of votes of the members present and voting on the question. The Secretary/Treasurer shall have no right to vote. In case of equality of votes, the matter shall be decided according to the vote of the Chairman.

**12. Management of the Fund.**—Subject to any general or special directions given by the Central Government the general management of the affairs of the Fund shall be vested in and rest with the general committee.

**13. Functioning by General Committee.**—The general committee shall function notwithstanding that any person who is entitled to be a member by reason of his office is not a member for the time being and notwithstanding any other vacancy

in the general committee and no act or proceeding of the general committee shall be invalid merely by reason of the happening of any of the above events or of any defects in the appointment of any member of the general committee.

**14. Framing of Bye-Laws.**—The general committee shall make bye-laws for the regulation, management and any other purpose connected with the execution of the fund and the trusts thereof and may alter, vary or rescind the same from time to time.

**15. Appointment of Committees.**—The general committee may appoint one or more committees, as may be considered necessary.

**16. Delegation of Powers.**—The general committee may delegate any of its powers to any committee so appointed. The general committee or any other committee may also delegate any of its powers to one or more of its members so far as such delegation relates, in the opinion of the general committee or such other committee, as the case may be, to merely ministerial acts and involve no discretion or is necessary and conformable to common usage.

**17. Members of the General Committee not entitled to remuneration.**—Members of the general committee or any other committee appointed as aforesaid other than the Secretary/Treasurer of the general committee or such other committee shall not be entitled to any remuneration, but shall be entitled to be reimbursed their actual travelling expense in respect of journeys to attend the meetings of the general committee or other committee or journeys undertaken by them for the purpose of the fund.

**18. Appointment of Staff.**—A competent secretary, treasurer and such other officers and staff as the general committee may consider necessary shall be appointed by the general committee and their remuneration and terms of appointment shall be fixed by that committee. The expenditure on the officers and staff shall be met from the fund.

**19. Deposit of Moneys.**—All moneys received from the subscribers or other sources shall be deposited in one or more accounts at the State Bank of India or any other scheduled bank approved in this behalf by the Central Government.

**20. Accounts and Audit.**—Regular accounts shall be kept of all moneys and properties belonging to the Fund and shall be audited by a firm of chartered accountants or any other recognised auditor as may be appointed by the general committee. The auditor shall also certify that the expenditure from the fund has been correctly incurred in accordance with the objects of the fund. Copies of the annual accounts of the fund duly audited and certified by the auditor of the fund shall be submitted to the Government every year.

**21. Contracts.**—All contracts relating to the administration of the fund shall be executed in the name of the general committee of the fund and by either the Chairman or the Vice-Chairman and shall also be signed by the Secretary/Treasurer of the Fund.

**22. Use of the Fund.**—It shall be lawful for the general committee to expend the moneys in the fund for the objects of the fund as mentioned above.

**23. Sale and Investment of Moneys.**—It shall be lawful for the general committee to direct the Treasurer of Charitable Endowments for India to sell or otherwise dispose of any property of the fund vested in him and invest the proceeds of the sale or other disposal of the property as well as any moneys or property not immediately required to be used for the objects of the fund in any one or more of the modes of investment for the time being authorised by law for the investment of trust moneys as the general committee may think proper.

**24. Receipt of additional Endowments.**—The general committee may receive any additional endowments, donations or other contributions in augmentation of any of the moneys and properties of the fund or for general purposes of the fund. It may also receive endowments, donations or other contributions for any special purpose connected with this scheme not inconsistent with or calculated to impede the due working of the provisions of this scheme.

#### SCHEDULE "A"

A cash endowment of Rs. 50,000 from the Chief of the Army Staff deposited in current account with the Bank of India Ltd., New Delhi.

O. PULLA REDDI, Secy.